DATE Jan 28, 2015 HB # 275

Missoula City Council 435 Ryman St Missoula, MT 59802

January 26, 2015

House Transportation Committee Montana House of Representatives PO Box 200400 Helena, MT 59620-0400

Honorable Members of the House Transportation Committee:

As you know, the gas tax in Montana has remained unchanged for two decades. During that time, construction prices have increased at a rate that far outpaces inflation leaving local governments struggling to pay for road and street repair.

Similarly, Montanans are hungry for additional public transportation. A recent public transportation mill levy increase in Missoula was approved by nearly 60% of voters. Early numbers show the service increase is incredibly popular with riders. Popularity of public transportation is at an all-time high, and it is becoming clear that future service enhancements will be required, but it is less clear how to finance these improvements.

House Bill 275 addresses these issues by increasing the gasoline tax by five cents per gallon.

Local governments around the state struggle to pay for basic infrastructure needs, including maintenance of local streets, and are in desperate need of alternate sources of revenue to finance repairs and maintenance. As a use tax, an increase in the gas tax would fairly distribute the burden of street repair to those who cause the greatest impact.

We encourage your strong support of HB 275.

Sincerely,

Members of the Missoula City Council

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Mike O'Herron